

108TH CONGRESS  
2D SESSION

# H. R. 4020

To amend title 38, United States Code, to establish within the Department of Veterans Affairs a program to assist the States in hiring and retaining nurses at State veterans homes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 24, 2004

Mr. SMITH of New Jersey (for himself and Mr. EVANS) introduced the following bill; which was referred to the Committee on Veterans' Affairs

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## A BILL

To amend title 38, United States Code, to establish within the Department of Veterans Affairs a program to assist the States in hiring and retaining nurses at State veterans homes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “State Veterans Home  
5       Nurse Recruitment Act of 2004”.

1 **SEC. 2. ASSISTANCE FOR HIRING AND RETENTION OF**  
2 **NURSES AT STATE VETERANS HOMES.**

3 (a) IN GENERAL.—(1) Chapter 17 of title 38, United  
4 States Code, is amended by inserting after section 1743  
5 the following new section:

6 **“§ 1744. Hiring and retention of nurses: payments to**  
7 **assist States**

8 “(a) PAYMENT PROGRAM.—The Secretary shall make  
9 payments to States under this section for the purpose of  
10 assisting State homes in the hiring and retention of nurses  
11 and the reduction of nursing shortages at State homes.

12 “(b) ELIGIBLE RECIPIENTS.—Payments to a State  
13 for a fiscal year under this section shall, subject to submis-  
14 sion of an application, be made to any State that during  
15 that year—

16 “(1) receives per diem payments under this  
17 subchapter for that fiscal year; and

18 “(2) has in effect an employee incentive schol-  
19 arship program or other employee incentive program  
20 at a State home designed to promote the hiring and  
21 retention of nursing staff and to reduce nursing  
22 shortages at that home.

23 “(c) USE OF FUNDS RECEIVED.—A State may use  
24 an amount received under this section only to provide  
25 funds for a program described in subsection (b)(2). Any  
26 program shall meet such criteria as the Secretary may

1 prescribe. In prescribing such criteria, the Secretary shall  
2 take into consideration the need for flexibility and innova-  
3 tion.

4 “(d) LIMITATIONS ON AMOUNT OF PAYMENT.—(1)  
5 A payment under this section may not be used to provide  
6 more than 50 percent of the costs for a fiscal year of the  
7 employee incentive scholarship or other incentive program  
8 for which the payment is made.

9 “(2) The amount of the payment to a State under  
10 this section for any fiscal year is, for each State home  
11 in that State with a program described in subsection  
12 (b)(2), the amount equal to 2 percent of the amount of  
13 payments estimated to be made to that State, for that  
14 State home, under section 1741 of this title for that fiscal  
15 year.

16 “(e) APPLICATIONS.—A payment under this section  
17 for any fiscal year with respect to any State home may  
18 only be made based upon an application submitted by the  
19 State seeking the payment with respect to that State  
20 home. Any such application shall describe the nursing  
21 shortage at the State home and the employee incentive  
22 scholarship program or other incentive program described  
23 in subsection (c) for which the payment is sought.

1       “(f) SOURCE OF FUNDS.—Payments under this sec-  
2 tion shall be made from funds available for other pay-  
3 ments under this subchapter.

4       “(g) DISBURSEMENT.—Payments under this section  
5 to a State home shall be made as part of the disbursement  
6 of payments under section 1741 of this title with respect  
7 to that State home.

8       “(h) USE OF CERTAIN RECEIPTS.—The Secretary  
9 shall require as a condition of any payment under this sec-  
10 tion that, in any case in which the State home receives  
11 a refund payment made by an employee in breach of the  
12 terms of an agreement for employee assistance that used  
13 funds provided under this section, the payment shall be  
14 returned to the State home’s incentive program account  
15 and credited as a non-Federal funding source.

16       “(i) ANNUAL REPORT FROM PAYMENT RECIPI-  
17 ENTS.—Any State home receiving a payment under this  
18 section for any fiscal year, shall, as a condition of the pay-  
19 ment, be required to agree to provide to the Secretary a  
20 report setting forth in detail the use of funds received  
21 through the payment, including a descriptive analysis of  
22 how effective the incentive program has been on nurse  
23 staffing in the State home during that fiscal year. The  
24 report for any fiscal year shall be provided to the Sec-  
25 retary within 60 days of the close of the fiscal year and

1 shall be subject to audit by the Secretary. Eligibility for  
2 a payment under this section for any later fiscal year is  
3 contingent upon the receipt by the Secretary of the annual  
4 report under this subsection for the previous year in ac-  
5 cordance with this subsection.

6 “(j) REGULATIONS.—The Secretary shall prescribe  
7 regulations to carry out this section. The regulations shall  
8 include the establishment of criteria for the award of pay-  
9 ments under this section.”.

10 (2) The table of sections at the beginning of such  
11 chapter is amended by inserting after section 1743 the  
12 following new item:

“1744. Hiring and retention of nurses: payments to assist States.”.

13 (b) IMPLEMENTATION.—The Secretary of Veterans  
14 Affairs shall implement section 1744 of title 38, United  
15 States Code, as added by subsection (a), as expeditiously  
16 as possible. The Secretary shall establish such interim pro-  
17 cedures as necessary so as to ensure that payments are  
18 made to eligible States under that section commencing not  
19 later than January 1, 2005, notwithstanding that regula-  
20 tions under subsection (j) of that section may not have  
21 become final.

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